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### Chile's outward FDI and its policy context

by

Carlos Razo and Álvaro Calderón\*

*Despite the recent financial and economic crisis, Chile's outward foreign direct investment (OFDI) in 2009 surpassed the record level of 2008, reflecting the strength of Chilean firms and the country's continuous commitment to integrate into the world economy. Two decades ago, Chile was an unlikely foreign direct investor. Today, even with no explicit policies to promote outward investment or the creation of national champions, Chile stands out as the third biggest investor of Latin America in absolute terms and as the first one in proportion to its GDP, even outperforming other emerging economies of similar size in other regions of the world.*

### Trends and developments

In the middle of the 1980s, Chile underwent important market reforms that reshaped its private sector. At the time, the country ranked seventh as a foreign direct investor of Latin America and the Caribbean, based on its stock of assets held abroad. However, privatization, deregulation and trade and financial liberalization increased competition in local markets and pushed local firms to raise efficiency. The increased competitiveness of some domestic firms at the beginning of the 1990s led to the emergence of Chilean firms as global players.<sup>1</sup>

Today, Chile is the third largest foreign direct investor of the region, only behind Brazil and Mexico. What is even more remarkable, in terms of its GDP, the country ranked number one in the past two years.<sup>2</sup> Despite the worldwide financial and economic crisis, Chilean firms continued their expansion and, in 2009, Chile's OFDI amounted to US\$ 8 billion, a 16% increase

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<sup>1</sup> ECLAC, *Foreign Direct Investment in Latin America and the Caribbean 2005* (Santiago: ECLAC, 2006).

<sup>2</sup> ECLAC, *Foreign Direct Investment in Latin America and the Caribbean 2008* (Santiago: ECLAC, 2009).

compared to 2008. Chile's outward FDI stock has almost tripled in less than a decade, underlining the remarkable upward trend in the internationalization of Chilean multinational enterprises (MNEs) (annex table 1).

### *Country-level developments*

The emergence of Chilean firms in the 1990s resulted in a gradual increase of OFDI flows until 2000, followed by a sharp contraction in 2001- 2002 (annex table 2). The fall resulted from two factors: one was the economic crisis in Argentina, the main recipient of Chilean OFDI, accounting for 20% of it between 1998 and 2000; the other one was the acquisition of Enersis and AES Gener, the main Chilean electricity firms that had managed to grow abroad, but were acquired by bigger global players such as the Spanish Endesa.<sup>3</sup>

After the contraction in the years 2001 and 2002, Chilean OFDI has steadily grown, reaching almost US\$ 8 billion in 2009, a historical record. Chile does not only stand out as the first foreign direct investor in proportion to its GDP in Latin-American, but it has also performed remarkably well in comparison with countries of similar economic size from other regions, which are also globally integrated, such as the Philippines, Thailand and the Czech Republic (annex table 2).

The growth of Chilean OFDI flows was accompanied by a fast process of regional diversification, mainly in North and Latin America. Certainly, Latin America remains the main recipient of Chilean OFDI in the past decade (40%). However, if at the end of the 1990s the main target of Chilean firms was Argentina, the accumulated flows from 2000-2008 show that Brazil, Peru and Uruguay have become the main target countries in recent years. In addition, Mexico and Colombia became more important for Chilean companies. Likewise, OFDI flows toward North America have risen significantly, from almost nothing to 11% of total flows in this decade, with the United States as the main target country. OFDI to Europe did not follow a continuous pattern; on average, they represented 11% of total flows in the period analyzed (annex table 4).<sup>4</sup>

The sectoral composition of Chilean OFDI during the period 2000-2008 is dominated by three sectors that together accounted for more than 50% of all direct investment abroad during this period: financial services, insurance and real estate and services (32%), mining (11%), and retail (10%). It is worth mentioning that almost 20% of Chilean OFDI in the past decade was directed to the Cayman Islands and Panama, i.e., to financial centers, thus overestimating the share of OFDI flows in financial services (annex table 3); it can be assumed that most of these funds are channeled via these offshore centers to other locations. A caveat of these statistics is that an important share of Chile's OFDI corresponds to net reinvestments where neither a sectoral nor a geographical destination is specified.

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<sup>3</sup> Calderón, Álvaro, "Outward foreign direct investment by enterprises from Chile," in UNCTAD, *Global Players from Emerging Markets: Strengthening Enterprise Competitiveness through Outward Investment* (New York and Geneva: United Nations, 2007), Chapter IV.

<sup>4</sup> Balance of payments data on outward FDI flows recorded by Chile's Central Bank do not show the ultimate host country of FDI outflows. Net reinvestments account for 37% of these flows, but their geographical and sectoral destination is not available in official statistics.

### *The corporate players*

The biggest Chilean outward investors during the past decade (annex table 5), have been mainly concentrated in the primary and service sectors, with a small group of firms in the manufacturing sector:

- 1) Firms engaged in primary sector activities, producing natural-resource based manufactures and supplying basic inputs to the industrial sector, such as Empresa Nacional de Petróleo (ENAP), Arauco, Empresas CMPC, Molibdenos y Metales (Molymet), Madeco, and Masisa. These companies invested mainly in Latin America in their search for natural resources and markets and are primarily involved in hydrocarbons, mining and metal processing, as well as pulp and paper.
- 2) Firms in the service sector, previously owned by the state and local enterprises, that responded to the new competitive environment created by the reforms of the 1990s, such as Lan Chile, Compañía General de Electricidad (CGE), Compañía Sudamericana de Vapores (CSAV), and firms engaged in real estate, consumer products and retail, such as Fallabella, Ripley, Mall Plaza, and Cencosu
- 3) Firms engaged in manufacturing sector activities, such as Compañía Cerveceras Unidas (CCU), Embotelladora Andina, and Empresas Carozzi.

Three industries stand out from among the top merger and acquisitions (M&As) and greenfield investment projects of the past three years (annex tables 6 and 7). The first one is the pulp and cellulose industry in which Arauco and Empresas CMPC invested heavily in Brazil and Uruguay. On the real estate, consumer products and retail side, the Chilean champions Cencosud, Ripley, Fallabella and, until this year, D&S (now owned by Wall Mart), expanded their presence in Latin America. D&S's expansion strategy may well become more aggressive as Wall-Mart seeks to penetrate the South American market from its Chilean base.<sup>5</sup> The other industry worth mentioning is transportation, where Empresas Navieras y Compañía Sudamericana de Vapores (CSAV) invested in Malaysia and Hong Kong (China). Although this may be the firm's initial investment in Asia, it might indicate its interest in the Asian market. Likewise, Molymet recently invested in China, making it the biggest Chilean investment in that country.<sup>6</sup>

After Brazil and Mexico, Chile is the country that headquarters the largest number of the so called "trans-latin" MNEs in Latin America and the Caribbean.<sup>7</sup>

### **Effects of the current global crisis**

In 2009, OFDI from Chile registered its fifth year of consecutive growth and reached a new historical record. In other words, the global financial and economic crisis did not stop Chilean firms' expansion, especially the ones operating in the natural resources sector that managed to

<sup>5</sup> Wal-Mart spokesperson, Kevin Gardner, in "Wal-Mart traerá a Chile su estrategia mundial de precios bajos y planea mantener marcas de D&S," *La Tercera*, December 21, 2008.

<sup>6</sup> "Chilean Molymnet makes the biggest investment in China," *La Tercera*, December 4, 2009.

<sup>7</sup> Boston Consulting Group (BCG), "The 2009 BCG multilatinas: a fresh look at Latin America and how a new breed of competitors are reshaping the business landscape," available at <http://www.bcg.com/documents/file27236.pdf>.

accumulate capital during the boom years. In addition, some industries (like retail or pulp and paper) were not hit hard by the crisis as the demand for their products has a low income elasticity of demand, which enabled firms in that industry to continue to expand despite the economic slowdown.

### **The policy scene**

In the past few years, Chile has pursued an ambitious strategy to foster the internationalization of the country. It has signed a number of free trade agreements (FTAs) and investment protection agreements with its main trading partners and other countries whose economies offer growth prospects. In 2009, Chile's FTAs with Australia, Colombia and Peru came into force, and Chile signed a free trade agreement with Turkey and initiated conversations with Malaysia and Vietnam. In January 2010, Chile joined the OECD. Although these initiatives have been important for the development of exports, their impact on Chilean OFDI is yet unclear. In the past, Chilean firms have preferred to operate in close and well-known environments and have used trade to exploit more distant markets.<sup>8</sup> Nevertheless, outward FDI to other destinations, such as East-Asia, has increased in the past five years.

Since the restoration of democracy in 1990, Chile has enjoyed the political and economic stability that has created a solid base from which its firms can pursue new business strategies outside the country's borders, even during the recent economic crisis. In January 2010, after twenty years of a centre-left government, the centre right coalition won the presidential election. This political change is not expected to alter Chile's strategy to integrate further into the global economy, and thus on the behavior of Chilean firms toward international expansion.

### **Conclusions**

Chile has slowly become one of the main foreign direct investors of Latin America and the Caribbean, even outperforming emerging markets of similar size in other regions of the world, such as the Czech Republic, the Philippines and Thailand. Chile's OFDI has had an outstanding performance, even during the recent economic crisis. In 2009, Chilean outward FDI reached a new record level, surpassing 2008 outflows.

Unlike other countries, Chile has not followed an explicit policy to promote OFDI or to create national champions.<sup>9</sup> The Chilean government has provided stable economic conditions in the domestic market, which has served Chilean firms as a platform to expand their business abroad. This shows that the best policy to support OFDI is perhaps a sound policy to promote stability and competition in national markets. Chilean firms have shown that they can compete successfully outside their borders. As growth prospects for 2010 improve,<sup>10</sup> domestically and internationally, it is very likely that Chilean MNEs will continue to expand abroad.

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<sup>8</sup> Calderon *op.cit.*, p. 47.

<sup>9</sup> In the case of ENAP, Chile's state owned oil company, the Government has promoted investment abroad. However, the goal, more than creating a national champion, is to ensure the availability of oil resources, which are very limited in Chile.

<sup>10</sup> Latin America and the Caribbean, the main recipient of Chile's OFDI, is expected to grow by 4.1% in 2010, after a contraction of -1.8% in 2009. Chile's real GDP is expected to grow by 4.5% in 2010 (ECLAC, "Preliminary overview of the economies of Latin America and the Caribbean 2009," (LC/G.2424-P), Santiago, Chile, 2009.

## Additional readings

Calderón, Alvaro, “Outward foreign direct investment by enterprises from Chile,” in UNCTAD, *Global Players from Emerging Markets: Strengthening Enterprise Competitiveness through Outward Investment* (New York and Geneva: United Nations, 2007), chapter IV.

Dirección General de Relaciones Económicas Internacionales (DIRECON), *Chile: 20 Años de Negociaciones Comerciales* (Santiago: Chile, 2009), available at: <http://rc.direcon.cl/pagina/1970>.

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## Statistical annex

**Annex table 1. Chile: outward FDI stock, 2000, 2008**

(US\$ million)

Economy	2000	2008
Chile	11,154	31,728
Memorandum: comparator countries		
Argentina	21,141	28,749
Colombia	2,989	13,084
Peru	505	2,270
Venezuela	7,676	16,619
Czech Republic	738	9,913
Philippines	2,044	5,810
Thailand	2,203	10,857

Source: Based on UNCTAD, *World Investment Report 2009: Transnational Corporations, Agricultural Production and Development* (New York and Geneva: United Nations, 2009).

**Annex table 2. Chile: net outward FDI flows, 2000-2009**

(US\$ million)

Economy	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Chile	3,987	1,610	343	1,606	1,563	2,183	2,742	3,009	6,891	7,976
Memorandum: comparator countries										
Argentina	901	161	-627	774	676	1,311	2,439	1,504	1,391	
Colombia	325	16	857	938	142	4,662	1,098	913	2,254	
Peru	-146	74	18	60	59	174	428	66	729	
Venezuela	521	204	1,026	1,318	619	1,167	1,524	30	1,273	
Czech Republic	43	165	207	206	1014	-19	1467	1619	1900	
Philippines	125	-140	65	303	579	189	103	3,536	237	
Thailand	-22	430	171	621	76	503	972	1,857	2,835	

Source: Based on data from the Central Bank of Chile as of February 8, 2010; Instituto Nacional de Estadística y Censos (INDEC, Argentina); Central Bank of Colombia; Central Bank of Venezuela; and UNCTAD, *World Investment Report 2009*, op. cit.

**Annex table 3. Chile: sectoral distribution of net outward FDI flows, 2000-2008**

(US\$ million)

Sector / industry	2000	2001	2002	2003	2004	2005	2006	2007	2008
<b>All sectors / industries</b>	3,986.4	1,609.7	343.1	1,606.3	1,563.1	2,182.6	2,742.4	3,009.0	6,891.3
<b>Primary</b>	175.8	212.2	44.1	128.0	-167.1	55.4	758.1	1,149.1	808.6
Agriculture, farming, fishing and forestry	131.5	235.2	29.0	116.1	8.0	52.3	13.9	10.5	10.7
Mining	44.3	-23.0	15.1	11.9	-175.1	3.1	744.2	1,138.6	797.9
<b>Secondary</b>	445.4	-110.8	-99.2	-6.7	29.8	252.2	-87.0	115.1	379.9
Manufacturing	166.4	-124.0	-79.3	-25.9	68.4	214.3	120.5	75.0	362.3
Construction	15.9	49.4	13.9	-72.4	-5.0	-9.9	1.7	28.4	0.9
Electricity, gas and water	263.1	-36.2	-33.8	91.6	-33.6	47.8	-209.2	11.7	16.7
<b>Services</b>	2,980.7	1,178.3	195.5	1,005.4	874.9	922.1	1,073.1	-649.6	3,476.8
Retail	227.6	110.9	113.3	190.9	394.8	104.7	255.9	277.1	806.8
Financial services, insurance, real estate and services.	2,637.9	932.6	86.7	807.6	439.0	749.2	705.0	-1,160.8	2,372.4
Communal, social and personal services	1.4	22.0	-3.4	1.2	44.4	19.0	26.5	10.8	82.8
Transport, storage and communications	113.8	112.8	-1.1	5.7	-3.3	49.2	85.7	223.3	214.8
<b>Unspecified other sectors/industries</b>	-0.4	-0.6	-28.6	-67.4	1.3	7.2	0.0	0.0	0.1
<b>Net reinvestment</b>	384.9	330.6	231.3	546.9	824.3	945.7	998.2	2,394.4	2,225.9

*Source:* Based on data from the Central Bank of Chile, “Financial account, balance of payments, outward foreign direct investment by destination sector,” available at: [http://www.bcentral.cl/estadisticas-economicas/series-indicadores/xls/inversion\\_en\\_el\\_exterior.xls](http://www.bcentral.cl/estadisticas-economicas/series-indicadores/xls/inversion_en_el_exterior.xls).

Annex table 4. Chile: geographical distribution of net outward FDI flows, 2000–2008

(US\$ million)

Country / region	2000	2001	2002	2003	2004	2005	2006	2007	2008
<b>World</b>	3,986.5	1,609.8	343.0	1,606.4	1,563.0	2,182.9	2,742.7	3,009.0	6,891.4
<b>Developed economies</b>	1,116.8	-95.9	255.3	303.3	96.4	744.1	1,148.5	-432.9	1,540.8
<b>Europe</b>	171.8	24.9	510.7	115.9	-4.4	246.9	1,053.7	516.1	56.6
European Union	182.0	8.2	513.9	85.2	-3.3	233.4	1,031.8	499.6	53.8
Austria	0.0	4.1	1.5	5.6	0.0	0.0	0.2	0.1	0.0
Belgium	10.2	0.1	-0.9	-0.5	0.0	0.1	118.0	-47.3	0.0
France	1.6	0.5	-9.8	7.1	1.0	-16.9	-0.7	6.1	-10.3
Germany	4.0	23.1	1.7	0.8	64.6	8.3	-0.8	21.3	8.1
Ireland	8.1	0.0	9.0	0.0	1.0	0.0	1.1	-1.0	-6.6
Luxembourg	6.8	1.9	-0.1	34.9	-17.7	7.7	279.4	0.0	-2.3
Netherlands	58.6	2.4	2.9	4.7	9.4	19.5	172.2	75.1	-245.3
Spain	74.5	-26.4	492.7	9.8	19.5	59.7	-15.5	82.5	38.8
Sweden	0.0	0.0	0.0	5.9	10.1	3.0	2.7	11.0	9.2
United Kingdom	18.2	2.5	16.9	16.9	-91.2	152.0	475.2	351.8	262.2
Other developed Europe	-10.2	16.7	-3.2	30.7	-1.1	13.5	21.9	16.5	2.8
<b>North America</b>	-105.5	-131.5	-255.4	119.8	100.8	502.3	94.4	999.4	1,373.2
Canada	6.4	2.6	1.0	0.5	2.0	0.5	8.8	-25.5	52.4
United States	-111.9	-134.1	-256.4	119.3	98.8	501.8	85.6	1,024.9	1,320.8
<b>Other developed countries</b>	1,050.5	10.7	0.0	67.6	0.0	-5.1	0.4	-1,948.4	111.0
Bermuda	0.5	0.0	0.0	67.6	0.0	-5.4	0.0	399.6	111.0
New Zealand	1,050.0	10.7	0.0	0.0	0.0	0.3	0.4	-2,348.0	0.0
<b>Developing economies</b>	2,481.1	1,367.4	-115.4	815.9	647.0	471.8	590.5	1,040.2	3,119.5
<b>Africa</b>	0.0	0.0	0.0	0.1	0.0	5.8	2.3	0.0	-19.2
<b>Latin America and the Caribbean</b>	2,474.9	1,367.3	-115.5	815.5	638.0	439.9	70.3	885.4	3,107.2
South and Central America	991.8	155.1	236.8	138.2	462.7	389.3	284.8	1,038.7	3,156.2
South America	488.3	26.5	160.3	104.5	437.0	311.5	233.3	1,001.3	1,637.7
Argentina	253.1	-86.4	-425.1	-16.1	322.6	104.6	41.3	147.5	234.6
Bolivia	-16.2	-1.5	-13.8	-8.4	3.7	-8.7	-11.4	-0.7	-9.8
Brazil	138.0	7.7	62.6	18.6	12.7	103.2	39.0	685.0	459.6
Colombia	20.0	23.9	5.2	1.3	0.8	16.3	14.8	30.4	31.2
Ecuador	-0.5	9.6	-12.6	2.5	-0.1	-16.0	22.2	-1.9	8.3
Paraguay	2.2	6.6	-8.2	-0.7	30.2	0.0	0.0	0.2	2.5



Peru	11.3	6.4	-42.9	-24.4	71.2	42.2	107.6	55.5	809.5
Uruguay	47.8	26.4	528.8	75.9	-13.9	68.3	8.9	71.1	83.8
Venezuela	32.6	33.8	66.3	55.8	9.8	1.6	10.9	14.2	18.0
Central America	503.5	128.6	76.5	33.7	25.7	77.8	51.5	37.4	1,518.5
Costa Rica	0.8	0.0	-0.5	0.4	-0.2	12.1	2.3	4.0	0.2
El Salvador	-0.1	0.3	-1.2	0.0	0.0	20.0	-27.1	0.0	0.0
Mexico	65.2	-19.8	84.9	60.4	2.2	52.6	28.5	11.7	146.4
Panama	437.6	148.1	-6.7	-27.1	23.7	-6.9	47.8	21.7	1,371.9
Caribbean	1,483.1	1,212.2	-352.3	677.3	175.3	50.6	-214.5	-153.3	-49.0
<b>Asia and Oceania</b>	6.2	0.1	0.1	0.3	9.0	26.1	517.9	154.8	31.5
Asia	6.2	0.1	0.1	0.3	9.0	26.1	517.9	154.8	31.5
West Asia	0.0	0.0	0.0	0.0	0.0	12.7	502.5	146.5	23.3
<i>South, East and South-East Asia</i>	6.2	0.1	0.1	0.3	9.0	13.4	15.4	8.3	8.2
East Asia	6.2	0.1	0.1	0.3	9.0	3.9	11.2	8.0	8.0
China	6.2	0.1	0.0	0.3	7.2	1.7	2.4	1.9	0.2
Hong Kong, China	0.0	0.0	0.1	0.0	1.8	2.2	8.8	6.1	7.8
South Asia	0.0	0.0	0.0	0.0	0.0	9.5	4.2	0.3	0.2
<b>Rest</b>	4.1	8.3	0.4	7.6	-5.9	14.1	5.5	7.3	5.1
<b>Unspecified destination</b>	-0.4	-0.6	-28.6	-67.4	1.3	7.2	0.0	0.0	0.1
<b>Net reinvestment</b>	384.9	330.6	231.3	546.9	824.3	945.7	998.2	2,394.4	2,225.9

*Source:* Based on data from The Central Bank of Chile, “Financial account, balance of payments, outward foreign direct investment by destination sector,” available at: [http://www.bcentral.cl/estadisticas-economicas/series-indicadores/xls/inversion\\_en\\_el\\_exterior.xls](http://www.bcentral.cl/estadisticas-economicas/series-indicadores/xls/inversion_en_el_exterior.xls).

**Annex table 5. Chile: principal MNEs, ranked by total sales, <sup>a</sup> 2008 <sup>b</sup>**

(US\$ billion)

Rank	Name	Industry	Sales
1	Enap	Oil & gas	12.0
2	Cencosud	Retail	9.5
3	Falabella	Retail	5.8
4	CSAV	Industrial, transport and mining	4.8
5	Lan Airlines	Transport	4.5
6	Arauco	Industrial, transport and mining	3.6
7	Antofagasta PLC	Industrial, transport and mining	3.3
8	D&S	Retail	3.3
9	CMPC	Industrial, transport and mining	2.9
10	CGE	Utilities and telecommunication	2.8
11	Molymet	Industrial, transport and mining	2.4
12	SQM	Industrial, transport and mining	1.7
13	Ripley	Retail	1.6
14	Farmacias Ahumada	Retail	1.4
15	Embotelladora Andina	Food and beverages	1.3
16	Empresas Navieras	Transport	1.3
17	CCU	Food and beverages	1.2
18	Madeco	Industrial, transport and mining	1.1
19	Masisa	Industrial, transport and mining	1.0
20	Salfacorp	Industrial, transport and mining	0.9

*Source:* Based on “Top 100, las mayores compañías por ventas,” *Capital*, Chile, May 15, 2009.

<sup>a</sup> World-wide sales.

<sup>b</sup> Data on foreign assets are not available.

**Annex table 6. Chile: major cross-border M&As deals, by outward investing firm, 2007-2009.**

(US\$ million)

Year	Acquiring company	Target company	Target industry	Target country (OFDI)	Announced value
Completed					
2009	Arauco and Stoda Enso (Finland)	ENCE	Pulp and paper	Uruguay	340.0
2009	Cencosud	Easy Colombia SA	Grocery stores	Colombia	60.0
2009	Corporacion Farmaceutica	Laboratorios Synthesis Ltda-	Pharmaceutical preparations	Colombia	18.0
2009	Sixtra Chile SA	Nekotec Tecnologia SA de CV	Computer integrated systems design	Mexico	6.0
2009	Antofagasta Minerals SA	Sunridge Gold Corp	Gold ores	Canada	5.1
2009	Gasco SA	Gasoducto del Pacifico Argenti	Natural gas transmission and distribution	Argentina	3.9
2009	ENAP	Gasoducto del Pacifico Cayman	Natural gas transmission and distribution	Cayman Islands	2.7
2009	Sociedad Punta del Cobre SA	Explorator Resources Inc	Copper ores	Canada	1.4
2009	Max Alberto Oemick	Fortune Valley Resources Inc	Gold ores	Canada	0.2
Announced					
2009	CMPC	Aracruz Cellulose SA-Guaiba	Pulp mills	Brazil	1,430
2009	CMPC	Cia Melhoramentos de Sao Paulo	Sanitary paper products	Brazil	202.6
2009	Antofagasta Minerals SA	Almaden Minerals Ltd-Tuligtic	Gold ores	Mexico	7.0
2009	Quintec SA	Qbase SA	Computer facilities management services	Argentina	1.2
Completed					
2008	Masisa SA	Tafibras Participaciones SA	Reconstituted wood products	Brazil	70.0
2008	Investor Group	HARVEST SA	Wines, brandy, and brandy spirits	Argentina	3.3
Announced					
2008	Investor Group	Bavaria SA-Agua Brisa Bottled	Bottled & canned soft drinks & carbonated waters	Colombia	92.0
Completed					
2007	Cencosud	Grupo Wong	Grocery stores	Peru	500.0
2007	Cencosud	G Barbosa	Grocery stores	Brazil	430.0
2007	Cencosud	Mercantil Rodrigues Comercial	Grocery stores	Brazil	21.0
2007	CMPC	Drypers Andina SA	Sanitary paper products	Colombia	5.6
2007	Madeco SA	CEDSA SA	Miscellaneous fabricated wire products	Colombia	3.7

2007	Forus SA	Pasqualini	Women's footwear, except athletic	Uruguay	2.4
2007	Forus SA	Maravilla SA	Women's footwear, except athletic	Colombia	1.9
2007	Laboratorios Andromaco SA	Iprofasa	Drugs, drug proprietarys, and druggists' sundries	Guatemala	1.6

Source: ECLAC, on the basis of data from *Thomson ONE Banker*, Thomson Reuters (<http://thomsonreuters.com>).

**Annex table 7. Chile: top 10 greenfield projects, by outward investing firm, 2007-2009**

(US\$ million)

Year	Investing company	Target industry	Target country	Investment
2009	Sigdo Koppers Group	Chemicals	Peru	650
2009	Falabella	Textiles	Peru	350
2009	Ripley	Real estate	Peru	157 <sup>a</sup>
2009	Empresas Navieras SA	Transportation	Hong Kong (China)	129 <sup>a</sup>
2009	Empresas Navieras SA	Transportation	Hong Kong (China)	67 <sup>a</sup>
2009	Mardones Propiedades	Real estate	USA	41 <sup>a</sup>
2009	Empresas Navieras SA	Transportation	Uruguay	33 <sup>a</sup>
2009	Sociedad Quimicay Minera (SQM)	Chemicals	India	25 <sup>a</sup>
2009	Bess Mobile	Communications	Venezuela	25
2009	Wines of Chile	Beverages	USA	22 <sup>a</sup>
2008	Parque Arauco	Real estate	Colombia	160
2008	CSAV Norasia	Transportation	Malaysia	129 <sup>a</sup>
2008	Masisa	Wood products	Brazil	91
2008	Distribucion y Servicio (D&S)	Food & tobacco	Peru	42 <sup>a</sup>
2008	Credito Continental	Financial services	Colombia	32 <sup>a</sup>
2008	Tesacom	Communications	Panama	24 <sup>a</sup>
2008	Tesacom	Communications	Mexico	24 <sup>a</sup>
2008	Wisetrack	Communications	Peru	24 <sup>a</sup>
2008	e-Contact	Communications	Ecuador	24 <sup>a</sup>
2008	Azurian	Software & IT services	Peru	23 <sup>a</sup>
2007	Enap	Coal, oil and natural gas	Venezuela	800
2007	Ripley	Real estate	Mexico	400
2007	Paulmann Group	Consumer products	Colombia	200
2007	Sigdo Koppers Group	Chemicals	Peru	200
2007	Recycla	Alternative/renewable energy	Colombia	64 <sup>a</sup>
2007	Iansa	Alternative/renewable energy	Colombia	60
2007	Salfacorp	Real estate	Peru	41 <sup>a</sup>
2007	Ripley	Real estate	Peru	31
2007	Salfacorp	Real estate	Argentina	26 <sup>a</sup>
2007	Cencosud	Consumer products	Colombia	15 <sup>a</sup>

Source: ECLAC, based on information from the *fDi Intelligence*, a service from the *Financial Times Ltd* ([www.fDimarkets.com](http://www.fDimarkets.com)).

<sup>a</sup> Estimate made by *fDi Intelligence*.